




STATE OF DELAWARE

PUBLIC SERVICE COMMISSION
861 SILVER LAKE BLVD.
CANNON BUILDING, SUITE 100
DOVER, DELAWARE 19904

June 21, 2019

MEMORANDUM

TO: The Chairman and Members of the Commission

FROM: Shona Marshall, Public Utility Analyst 

SUBJECT: IN THE MATTER OF THE APPLICATION OF RUSHMORE ENERGY, LLC
FOR A CERTIFICATE TO PROVIDE ELECTRIC SUPPLY SERVICES
WITHIN THE STATE OF DELAWARE (SUBMITTED MARCH 19, 2019;
FILED MAY 31, 2019) - PSC DOCKET No. 19-0152

Background

On March 19, 2019, Rushmore Energy, LLC (“Rushmore” or the “Company”) submitted an application (the “Application”) with the Delaware Public Service Commission (the “Commission”) for an Electric Supplier Certificate (“ESC”) to provide electricity in the State of Delaware pursuant to § 1012 of the Electric Utility Restructuring Act of 1999, 26 *Del. C.* §§ 1001 - 1020 (the “Act”) and 26 *Del. Admin. C.* § 3001, the Commission’s Rules for Certification and Regulation of Electric Suppliers (the “Supplier Rules”).¹

Application

The Company’s original filing was submitted on March 19, 2019, but the submitted Application was deficient in meeting the minimum filing requirements (“MFR’s”). In a letter dated April 9, 2019, Commission Staff (“Staff”) requested the Company provide documentation related to its legal name, state of formation certificates, financial ability, retail experience, public notice, and various contract changes. The Company’s response dated April 4, 2019 did not satisfy the requirements of the MFR’s and Staff issued a second letter of deficiency in a letter dated May 13, 2019. The Company’s response submitted May 31, 2019 satisfied the requirements of the MFR’s

Review and Analysis

¹ Unless otherwise noted, all references to capitalized terms are set forth in the Act and/or the Supplier Rules.

Authority to do Business in Delaware

Rushmore is a limited liability company formed in the state of Texas. The Company provided proof issued by the Delaware Secretary of State that it is legally authorized and qualified to do business in the State of Delaware. The Delaware Certificate of Good Standing was issued January 18, 2019. The Delaware business license was issued January 16, 2019 and is valid from March 21, 2019 through December 31, 2019.

Resident Agent

The Company supplied the contact information for The Corporation Trust Company located at 1209 Orange St, Corporation Trust Center, Wilmington, DE 19801.

Compliance with Regional Requirements

The Company agreed to only work with an entity that complies with PJM's requirements and is a certified electric supplier in Delaware.

Financial, Operational, Managerial and Technical Ability

The Company submitted an officer certified Balance sheet as of December 31, 2018. The Company also submitted an officer certified Profit and Loss statement for the period of January 2018 through December 2018 as indicia of financial capability under Section 2.2.16.2 of the Supplier Rules. Staff has reviewed the Balance Sheet and Profit and Loss Statement. The Company has satisfied the requirements of the Supplier Rules for purposes of providing electric supply services in the State of Delaware.

Rushmore anticipates serving residential, small commercial, large commercial, and industrial customers throughout the State of Delaware. Rushmore is currently licensed as an electric supplier in the following states and jurisdictions: Illinois, Maryland, New Jersey, Pennsylvania, Ohio, and the District of Columbia.

The Application included a summary of experience and qualifications for its officers. Rahil Rahim Jafry is the President of Rushmore and has held this position since August 2013. Mr. Jafry possesses over seventeen years of managerial and energy industry experience. Rafiq Z. Dhanani, J.D. is the Vice President-Head of Operations and Legal for Rushmore and has held this position since February 2014. Mr. Dhanani earned his Juris Doctor in 2011 and has eight years of experience in the energy industry.

Surety Bond

The Company did not post a surety bond as security to an Electric Distribution Company because there are no service agreements between the Company and any Delaware Electric Distribution Company.

Verification of Application

The Application and subsequent filings to the Application contained a signed sworn verification of application with the signature of Rafiq Dhanani, the Vice President.

Consent to Jurisdiction

The Company consents to the jurisdiction of the Delaware courts.

Contracts

The Company has submitted and modified copies of customer contracts that have been reviewed by Staff in accordance with the Supplier Rules. The Company provided a marketing

plan but has not created marketing materials for Delaware. Marketing materials shall be submitted to Staff before deployment in the state of Delaware in accordance with the Supplier Rules.

Statement of Criminal Activity

The Applicant stated that it has not been charged or convicted of any criminal activity nor have any of its principals or corporation offices. An internet review of the Company and its principals did not return any incidents of criminal activity.

Legal Review

Staff submitted this Memo for review by the Attorney on July 2, 2019.

Staff Recommendation

Based on Staff's review and analysis of the Application, the Company has satisfied the requirements of the Act and the Supplier Rules. The completed Application supports the Company's request for certification. Staff's review and analysis of the Application demonstrates substantial evidence of capability to render service based on the Company's financial, operational, managerial and technical abilities. Rushmore has been very forthcoming in Staff's inquiries and resolved all outstanding issues. The Company gives no indication that issues, if any arise, will not be handled in a manner consistent with the respect and efficiency displayed to date. Therefore, Staff recommends the Commission approve the Application.